

REAL ESTATE COMMISSION
Professional & Vocational Licensing Division
Department of Regulatory Agencies
State of Hawaii

MINUTES OF MEETING

Date: Thursday, May 21, 1970

Place: Public Utilities Hearing Room, Kamamalu Building,
1010 Richards Street, Honolulu, Hawaii

Present: Herbert S. Isonaga, Chairman
Louis Cannelora, Member
Harold J. Silva, Member
John Texeira, Member
Hiromu Yamanaka, Member
William H. C. Young, Member

Jeffrey N. Watanabe, Deputy Attorney General
Yukio Higuchi, Executive Secretary

George A. Morris, Jr., Executive Vice President, Honolulu Board of
Realtors
Wesley Charlton, Representative of Real Estate Association of Hawaii

Excused: Douglas R. Sodetani, Vice Chairman

Call to Order: There being a quorum, the Chairman called the meeting to order
at 2:10 p.m.

Deputy Attorney General Jeffrey Watanabe briefed the Commission
as to the pending suits filed in court against the Real Estate
Recovery Fund and gave progress reports on the Betsy Christian/Action
Realty, Inc., cases (RE-362 and 375) and the Violet King case
(Civil No. 28826). He also apprised the Commission of some
problem areas which the Commission should consider as possible
new legislation.

Mr. John Texeira, newly sworn-in member replacing Mr. Irving
Jenkins on the Commission, was introduced by Mr. Dick Okaji
and officially sat with the Commission.

Reading of Minutes: Upon motion, the minutes of the April 22, 1970 meeting were approved
as circulated.

Business Out of Minutes: Michael T. I. Kim's Request for Audience
Mr. Kim's letter of May 7, 1970 requesting an audience with the
Commission to allow free discussion on the matter of a property
manager requiring a real estate license. The Executive Secretary
was directed to advise Kim to call the Chairman for an appointment
to discuss the matter with him.

Investigations: RE-362 and 375 Betsy Christian/Action Realty, Inc.

Since Deputy Attorney General Jeffrey Watanabe had earlier made a progress report on this matter, the Executive Secretary could only add that Betsy Christian is presently residing in Kahului, Maui.

RE-363 Floyd T. Kaneshiro

Reported that this matter has been filed with the Circuit Court and may result in a claim against the Real Estate Recovery Fund. The Executive Secretary was directed to notify complainant that inasmuch as suit has been filed against Kaneshiro in the Circuit Court, the Commission will hold this matter in abeyance until the Court has made a determination. If such temporary action is acceptable to the complainant, this would be the Commission's position.

RE-368 Patricia A. Smith (AKA Pat McCool)

Reported that the Licensing Administrator is processing the draft of the hearing notice on Patricia Smith for transmittal to the Attorney General's office. The hearing notice against Charles Clarke has not been drafted as yet, but Robert Bekeart indicated that he will be working on this soon. Executive Secretary was to make double follow-up on this matter.

RE-379 and 383 Growth International Realty

Reported that the complainants have been advised by letter dated May 5, 1970 that the Commission is pursuing these matters and moving toward a hearing. Also reported that the draft of the notices of hearing has been forwarded to the Attorney General for review and advice.

RE-397 Dan Lawrence

Upon motion, this complaint was dismissed.

RE-384 Walter Zane Realty, Inc.

Upon motion, the Executive Secretary was directed to send a letter of reprimand for delays in making corrections. The complainant is to be notified of the action taken by the Commission.

Night Inspection of Real Estate Branch Offices

Reported that on the evening of April 23, 1970 between the hours of 6:30 p.m. to 9:00 p.m., an inspection tour was made of branch offices located in the Waikiki area. A total of 8 branch offices were visited, but only 4 were opened for business. The brokers-in-charge were on duty at all 4 offices at the time of visit and licenses were properly displayed.

The Commission requested that periodic follow-up visits be made as time permits.

Amfac Properties, Kaanapali, Maui

Reported that an investigation was initiated by the staff on information received that Amfac Properties, the developer of an industrial tract at Kaanapali, Maui, has been actively engaged in the sale of said land. Copies of the investigation report were circulated to the Commission for review.

Executive Secretary was directed to mail a copy of the Attorney General's opinion on this matter and to advise Greg Anderson of Amfac, Inc., of the possible violation.

New Business: LicensingCorporationPrincipal Broker

Kona Realty, Inc.
Western Pacific Land Corp., dba
Hugh Menefee Real Estate (Change
of name only - formerly Hugh
Menefee, Inc.)
Property Consultants, Inc.

Sumio Nakashima
Hugh Menefee

Clifford I. Arinaga

Partnership

None

DBA

Koko Head Realty
A. C. Nicoll, Realtor
Barbara Odor Realty
Betty McMichael Real Estate
Melim Realty

Stephen Marn, dba
Andrew C. Nicoll, dba
Barbara L. Odor, dba
Sylvia B. McMichael, dba
Theodore C. Melim, dba

Branch OfficeBroker-in-Charge

Kamaaina Realty, Inc., Br.-1
Ka Moi Realty, Inc., Br.-1
Akamai Realty, Inc., Br.-1
Dolman & Urner, Inc., Br.-1
Bishop Realty, Inc., Br.-5
The Realty Investment Co., Ltd.,
Br.-4
Western Pacific Land Corp., dba
Hugh Menefee Real Estate

Andrew K. Okubo
Charles L. Powell
Charles L. K. Hutchinson
Janet L. Campbell
Randolph Solomon
Arthur S. Carvalho

William S. Marshall

Salesman

Noboru Murakami - licensed salesman effective May 19, 1970,
Rule 2.2(b) forfeited the opportunity to apply within 1 year
of date of exam (3/4/69). Chairman Isonaga had approved the
issuance of license.

Upon motion, the license processing of the above as tentatively authorized by the Licensing Administrator was approved and the action taken by the Chairman was ratified.

Sale of Out-of-State Condominiums in Hawaii

Reported that the Commission has received a written inquiry from Oregon, and a verbal inquiry from Australia requesting information pertaining to our requirements of selling out-of-state condominiums in Hawaii. Also reported that staff has taken initiative to correspond with the Oregon inquirer requesting more information for the Commission's review and study. Executive Secretary was directed to ask Deputy Attorney General Jeffrey Watanabe for an informal opinion as to whether the Commission can regulate the sale of out-of-state condominiums under the Horizontal Property Regimes Act.

Miscellaneous: FBI Identification Services

Reported that the FBI is limiting its fingerprint services to those required by Federal regulations and to persons directly employed in or applying for law enforcement positions. Therefore, all applicants for real estate license are now being processed through local criminal fingerprint files only.

Florida Real Estate Commission Inquiry

A letter of inquiry dated May 5, 1970 from the Florida Real Estate Commission pertaining to the discontinuance of FBI fingerprinting services was presented to the Commission for comment and answer.

The Commission was hopeful of discussing this matter at the NARELLO Western Conference in June 1970. Otherwise, they will pursue the course outlined by the Florida Commission.

Requested Program Budget for Fiscal Year 1971-1972

	<u>No.</u>	<u>1st qtr.</u>	<u>2nd qtr.</u>	<u>3rd qtr.</u>	<u>4th qtr.</u>
Regular meetings	9	2	3	2	2
<u>Neighbor Island</u> <u>meetings</u>	3	1 (Hawaii)	-	1 (Maui)	1 (Kauai)

Out-of-State Travels

NARELLO (Nat'l)	1	1			
NARELLO (Western)	1				
(2 delegates each to the National and Western Conference)					
(location not known)					

	<u>No.</u>	<u>1st qtr.</u>	<u>2nd qtr.</u>	<u>3rd qtr.</u>	<u>4th qtr.</u>
Hearings (contested cases)	12	3	3	3	3

The Commission expects to make minor changes to the licensing rules and the condominium rules. There is no fee changes contemplated.

Minutes of Meeting of May 21, 1970

Educational Comprehensive Profile

Reported that on May 19, 1970, Professor Don Bell advised that he feels he will be able to submit his final report by the end of July 1970.

1970 Legislation

Reported that no legislation involving the Commission was passed during the 1970 State Legislature.

Real Estate Recovery Fund

Allbritton v. Interstate Realty. No report was made on this matter inasmuch as Deputy Attorney General Jeffrey Watanabe had made a progress report to the Commission earlier at this meeting.

Suzurikawa v. Floyd T. Kaneshiro and United States Fidelity & Guaranty Company. Deputy Attorney General Jeffrey Watanabe had also made a progress report on this matter earlier. Mr. Watanabe also advised the Commission that there are presently 3 cases against Kaneshiro. The other 2 cases were filed by Watanabe and Hamada.

1970 NARELLO Western District Conference

Chairman Isonaga gave a brief progress report on the upcoming conference.

Correspondence: 1970 NARELLO National Conference

The letter of May 18, 1970 from H. D. Ruffin, Director, was read for information.

Kona Board of Realtors

The letter of May 15, 1970 from Kona Board of Realtors presenting their comments on the last license examination was presented to the Commission.

Executive Secretary was directed to forward copies of the letter to the Licensing Administrator, Examination Branch, and Mr. Douglas Sodehani, and thank the Kona Board for their comments.

Arthur J. Gross

The Commission was advised of the content of the letter of May 2, 1970 from Arthur J. Gross regarding his complaint against Larry and Lydia Stevens, brokers.

Condominiums: Progress Report

A brief progress report on the present status of pending condominium registration was made by Executive Secretary.


Date of Next Meeting:

Thursday, June 25, 1970 at 2:00 p.m.

Adjournment:

There being no further business, the meeting was adjourned at 4:45 p.m.

Recorded by:


YUKIO HIGUCHI, Executive Secretary